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**1987 ANNUAL REPORT**



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**SASKATCHEWAN ECONOMIC DEVELOPMENT CORPORATION**

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### The Corporation

Since establishment in 1963, the Saskatchewan Economic Development Corporation has built a province-wide reputation for developing and providing programs promoting economic development in Saskatchewan.

The Corporation provides a wide range of financial and property services to business in nearly all sectors of the provincial economy to facilitate industrial development. While these services can be flexibly adapted to individual situations, emphasis is directed to firms engaged in manufacturing, processing, and tourism.

In all its activities, SEDCO's priority is to create and maintain jobs for people in Saskatchewan.

SEDCO's 54 employees are located in Regina and Saskatoon to deliver services conveniently and efficiently throughout the province.

## LETTER OF TRANSMITTAL

March 15, 1988

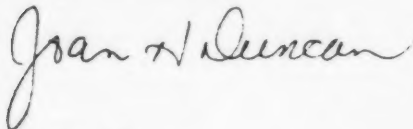
To His Honour  
The Honourable Frederick W. Johnson  
Lieutenant-Governor of the Province of Saskatchewan

Sir:

I have the honour to submit herewith the Annual Report of the Saskatchewan Economic Development Corporation for the year ended December 31, 1987, including the financial statements duly certified in accordance with the Industrial Development Act.

I have the honour to be, Sir,

Your obedient servant,



Hon. Joan Duncan  
Minister Responsible  
Saskatchewan Economic Development Corporation



HON. JOAN DUNCAN

## CHAIRMAN'S MESSAGE



LARRY A. KYLE, Q.C.

During 1987, when provincial indicators made lenders cautious, SEDCO continued to provide financing to new and existing Saskatchewan ventures and actually achieved modest growth.

SEDCO's concern with job creation and economic development frequently overrides normal commercial concerns. If we were making a lot of money it might be because we weren't doing our job. At the same time, we must assess the survival chances of new ventures and the prospects of success of our existing clients before offering support. We have to recognize the limitations imposed on diversification by the size of the Saskatchewan market and its distance from established manufacturing centres. We resist thinking that because something hasn't been done, it can't be done. Achieving a balance between these considerations keeps our staff, management and board busy. During 1987 we helped to create about 650 direct jobs, substantially up from 1986.

Our property investment portfolio has had a higher profile this year because of the construction of Saskatchewan Place, Saskatoon's new arena, in our AgriPlace business park. Our decision to proceed with the development appears to be paying off for Saskatoon and for SEDCO.

We have had substantial changes in our board of directors. Hon. Graham Taylor has been replaced as minister-in-charge by the Hon. Joan Duncan and five new board members have joined us. We are grateful for the advice of those who have left us and we welcome the contribution of the new directors.

We have now completed our 24th year and SEDCO is a recognized force in Saskatchewan business development. We look forward to continuing this work as we approach the end of our first quarter century.



Larry A. Kyle, Q.C.  
Chairman of the Board

## PRESIDENT'S REPORT

SEDCO is nearing the quarter century milestone in having completed its twenty-fourth year of operation supporting the financial and property needs of Saskatchewan's business community.

We maintained a high level of activity in all areas — in the number of loans written and in property sales. These activities resulted in a substantial increase in the number of businesses assisted and in jobs created for Saskatchewan people.

Income before interest expense payments, provision for loss, and write-down of property and share investments was \$11 million. This figure represented a modest decrease in 1987 in comparison with 1986. For the most part, the decrease was due to early repayment of major loans previously negotiated at higher interest rates.

The Corporation's total assets consisting of loans, equity investments, properties, and other at year end had an aggregate value of \$179.5 million compared with \$178.5 million the previous year.

In 1987 we experienced continuing progress in our efforts to improve the quality of our lending portfolio. In that respect, we were able to improve on the number of non-performing accounts by more than \$1.5 million.

The Corporation's property activities maintained a high level overall and experienced significant

increase in some areas compared with the record-breaking achievements in the preceeding year. Innovation Place and AgriPlace saw the most growth in construction activities and in sales.

While the Corporation's performance for 1987 represents a modest improvement over the previous year, the bottom line shows a loss of \$7.5 million — an improvement of \$2.4 million since 1986.

We appreciate the initiatives and support that the Board of Directors provided throughout the year and take this opportunity to express our gratitude.

Another important component of our strength is our employees. We encourage our staff to make meaningful contributions to our plans and achievements. As we close the books on 1987 and enter our twenty-fifth year of operation, we look forward to working with our personnel whose eagerness to present ideas and willingness to make those ideas work play an important part in our everyday operations.



DOUGLAS S. PRICE

A stylized, handwritten signature in dark ink, consisting of a series of loops and a long horizontal stroke.

Douglas S. Price  
President and  
Chief Executive Officer

## BOARD OF DIRECTORS



Ian Disbery, Secretary, Regina;

Isabelle Dordall, Meadow Lake;

Larry A. Kyle

Ben J. Kuzmich, White City;

Douglas R. Osborne, Regina;

Milton Norgaard, Foam



Q.C., Chairman, Regina;

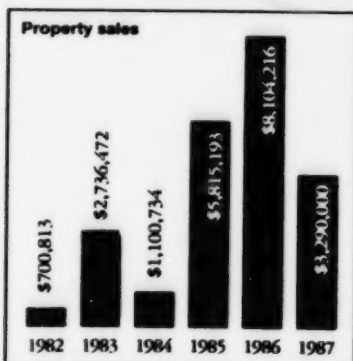
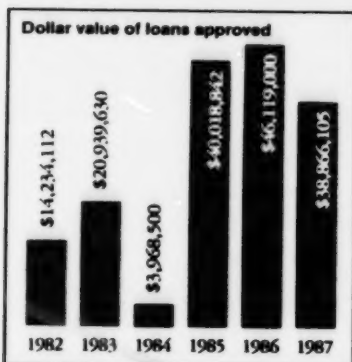
Ken Skilnick, Regina;

Carol A. Pedersen, Star City;

Lake; Rob Orr, Saskatoon.

Hon. Graham Taylor, Vice-chairman, not in photo.

## ACTIVITY HIGHLIGHTS



### Loans & Investments

- Maintained a high level of loan activity during 1987 with 119 loan approvals totalling approximately \$38.9 million. This compares with 114 loans approved in 1986 for a total approximate value of \$46.1 million.
- Emphasis on small business is evidenced in that 81.4 per cent of the loans written were for less than \$250,000. Of those, 67.7 per cent were for under \$50,000.
- Total loan activity in 1987 produced 467 direct jobs representing a 42 per cent increase over the 1986 achievement of 330 jobs.
- The Youth Entrepreneur Program continued to assist Saskatchewan's young people set up new business ventures in the province. In 1987, 44 new businesses were established compared with 48 in the previous year. In aggregate, the 44 loans written totalled \$598,000 and created 83 full-time jobs.
- Two major loan prepayments totalling \$20.5 million kept the loan asset base close to the same level as in 1986.

### Properties

- Maintained a high level of sales activity during the year. Total industrial park sales of approximately \$3.1 million included more than \$2 million sales in AgriPlace.
- Building completions at Innovation Place resulted in a 52 per cent increase in available rental space over 1986. The population increased by 100 per cent from approximately 400 to 800 people.
- In terms of building activity, AgriPlace has had its greatest year ever with \$30 million of new construction in 1987.
- Three major construction projects were completed in 1987: The east addition to SEDCO Centre along with industrial buildings in AgriPlace and North Battleford.
- A total of 150 person years of employment were created in 1987 as a result of construction activity throughout the province.
- Two projects were under construction at year end, the west addition to SEDCO Centre and an industrial building in Swift Current.
- Lower occupancy rates in 1987 compared to 1986 resulted in a slight decrease in rental income for the year.

### SIZE DISTRIBUTION

| Loan Size             | Number | Dollar Amount |
|-----------------------|--------|---------------|
| \$ 0 — \$ 50,000      | 67     | \$ 1,202,082  |
| 50,000 — 100,000      | 10     | 648,500       |
| 100,000 — 250,000     | 18     | 2,784,764     |
| 250,000 — 500,000     | 10     | 3,670,284     |
| 500,000 — 1,000,000   | 4      | 2,788,000     |
| 1,000,000 — 1,500,000 | 4      | 5,482,475     |
| over 1,500,000        | 6      | 22,290,000    |
|                       | 119    | \$38,866,105  |

More than 1,750 inquiries were handled in 1987.

## PROVINCIAL ECONOMIC BENEFITS

The value of SEDCO's activities is measured more by the benefits rendered to Saskatchewan's economy than by its operating results.

In 1987, SEDCO's activities gained significantly more benefits for Saskatchewan's economy than in 1986. The impact of loan and construction activities created an estimated 650 direct jobs for the province's residents. The resultant wage values were in excess of \$12.7 million while increased tax revenues accruing to the provincial government exceeded \$750,000.

Activities initiated in past years continue to produce benefits, maintaining an additional 1,600 jobs with an approximate wage value of \$30 million. Provincial tax revenues were approximately \$1.8 million.

Benefits arising from the Corporation's provision of rental properties and spin-off effects have not been included in these figures. Therefore, the actual impact of SEDCO's activities is far greater than reported.

|                                   | 1987                |                     | 1986               |                     |
|-----------------------------------|---------------------|---------------------|--------------------|---------------------|
|                                   | 1987 Only           | Continuing          | 1986 Only          | Continuing          |
| <b>Net Incremental Employment</b> |                     |                     |                    |                     |
| Loans                             | 372                 | 1,868               | 224                | 1,392               |
| Lease Options/Agreements for Sale | 36                  | 72                  | 27                 | 51                  |
| Construction - Loan clients       | 95                  | 95                  | 106                | 106                 |
| Construction - Direct             | 150                 | 150                 | 103                | 103                 |
| <b>TOTAL:</b>                     | <b>653</b>          | <b>2,185</b>        | <b>460</b>         | <b>1,652</b>        |
| <b>Wage Value</b>                 |                     |                     |                    |                     |
| Loans                             | \$ 6,238,394        | \$35,584,414        | \$4,497,272        | \$27,781,156        |
| Lease Options/Agreements for Sale | 647,340             | 1,348,749           | 453,039            | 966,730             |
| Construction - Loan clients       | 2,280,000           | 2,280,000           | 2,438,000          | 2,438,000           |
| Construction - Direct             | 3,600,000           | 3,600,000           | 2,369,000          | 2,369,000           |
| <b>TOTAL:</b>                     | <b>\$12,765,734</b> | <b>\$42,813,163</b> | <b>\$9,757,311</b> | <b>\$33,554,886</b> |
| <b>Tax Revenue</b>                |                     |                     |                    |                     |
| Loans                             | \$ 374,303          | \$ 2,135,064        | \$ 278,830         | \$ 1,722,432        |
| Lease Options/Agreements for Sale | 38,840              | 80,924              | 28,088             | 59,937              |
| Construction - Loan clients       | 136,800             | 136,800             | 151,156            | 151,156             |
| Construction - Direct             | 216,000             | 216,000             | 146,878            | 146,878             |
| <b>TOTAL:</b>                     | <b>\$ 765,943</b>   | <b>\$ 2,568,788</b> | <b>\$ 604,952</b>  | <b>\$ 2,080,403</b> |

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## AUDITORS' REPORT

To the Members of the  
Legislative Assembly,  
Province of Saskatchewan:

We have examined the statement of financial position of the Saskatchewan Economic Development Corporation as at December 31, 1987 and the statements of operations and deficit and of changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the corporation as at December 31, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan  
January 30, 1988

*Deloitte Haskins & Sells*

Deloitte Haskins & Sells  
Auditors

**STATEMENT OF FINANCIAL POSITION**  
As at December 31

|                                                       | 1987              | 1986              |
|-------------------------------------------------------|-------------------|-------------------|
|                                                       | (in thousands)    |                   |
| <b>ASSETS</b>                                         |                   |                   |
| Loans - (Note 3) .....                                | \$ 115,604        | \$ 127,017        |
| Share investments (Note 4) .....                      | 3,137             | 1,118             |
| Property holdings (Note 5) .....                      | 59,782            | 48,674            |
| Other .....                                           | 1,033             | 1,722             |
|                                                       | <u>\$ 179,556</u> | <u>\$ 178,531</u> |
| <b>LIABILITIES AND PROVINCE'S EQUITY</b>              |                   |                   |
| <b>Liabilities</b>                                    |                   |                   |
| Bank indebtedness .....                               | \$ 826            | \$ 48             |
| Accounts payable and accrued liabilities .....        | 3,448             | 4,032             |
| Notes payable (Note 6) .....                          | 85,212            | 15,809            |
| Long term debt (Note 7) .....                         | <u>94,647</u>     | <u>155,647</u>    |
|                                                       | <u>184,133</u>    | <u>175,536</u>    |
| <b>Province of Saskatchewan's Equity (Deficiency)</b> |                   |                   |
| Advances (Note 8) .....                               | \$ 28,702         | \$ 28,702         |
| Deficit .....                                         | <u>(33,279)</u>   | <u>(25,707)</u>   |
|                                                       | (4,577)           | 2,995             |
|                                                       | <u>\$ 179,556</u> | <u>\$ 178,531</u> |

(See accompanying notes)

**STATEMENT OF OPERATIONS AND DEFICIT**  
**Year Ended December 31**

|                                                                               | 1987             | 1986             |
|-------------------------------------------------------------------------------|------------------|------------------|
|                                                                               | (in thousands)   |                  |
| <b>REVENUE</b>                                                                |                  |                  |
| Loans and investments .....                                                   | \$ 12,734        | \$ 13,557        |
| Property (Note 9) .....                                                       | <u>4,612</u>     | <u>5,034</u>     |
|                                                                               | <u>17,346</u>    | <u>18,591</u>    |
| <b>EXPENSES</b>                                                               |                  |                  |
| Rental property .....                                                         | 2,876            | 2,223            |
| General corporate .....                                                       | <u>3,302</u>     | <u>3,235</u>     |
|                                                                               | <u>6,178</u>     | <u>5,458</u>     |
| Revenue before the following .....                                            | 11,168           | 13,133           |
| Interest expense .....                                                        | 13,935           | 13,734           |
| Provision for losses on loans .....                                           | 4,517            | 3,984            |
| Write-down of property and share<br>investments to net realizable value ..... | <u>288</u>       | <u>5,360</u>     |
| <b>LOSS FOR YEAR</b>                                                          | 7,572            | 9,945            |
| Deficit, beginning of year .....                                              | 25,707           | 15,762           |
| <b>DEFICIT END OF YEAR</b>                                                    | <u>\$ 33,279</u> | <u>\$ 25,707</u> |

(See accompanying notes)

**STATEMENT OF CHANGES IN FINANCIAL POSITION**  
**Year Ended December 31**

|                                                                             | 1987            | 1986            |
|-----------------------------------------------------------------------------|-----------------|-----------------|
|                                                                             | (in thousands)  |                 |
| <b>CASH PROVIDED BY (USED IN)</b>                                           |                 |                 |
| <b>OPERATING ACTIVITIES</b>                                                 |                 |                 |
| Loss for year .....                                                         | \$ (7,572)      | \$ (9,945)      |
| Add: Charges to operations not<br>requiring cash payment                    |                 |                 |
| Depreciation .....                                                          | 488             | 492             |
| Provision for loan losses .....                                             | 4,517           | 3,984           |
| Write-down of property and share<br>values .....                            | <u>288</u>      | <u>5,360</u>    |
|                                                                             | (2,279)         | (109)           |
| Loans:                                                                      |                 |                 |
| Disbursements .....                                                         | (32,727)        | (40,946)        |
| Repayments .....                                                            | 40,942          | 10,780          |
| Property disposals financed .....                                           | (3,968)         | (3,537)         |
| Share Investments:                                                          |                 |                 |
| Sold .....                                                                  | —               | 47              |
| Property Holdings:                                                          |                 |                 |
| Additions .....                                                             | (16,017)        | (8,644)         |
| Proceeds from disposals .....                                               | 1,591           | 3,438           |
| Disposals financed by loans .....                                           | 3,968           | 3,537           |
| Net change in non-cash working capital<br>items related to operations ..... | <u>(691)</u>    | <u>(855)</u>    |
| Cash used in operating activities .....                                     | <u>(9,181)</u>  | <u>(36,289)</u> |
| <b>CASH PROVIDED BY (USED IN)</b>                                           |                 |                 |
| <b>FINANCING ACTIVITIES</b>                                                 |                 |                 |
| Proceeds of long term debt .....                                            | 4,000           | 66,000          |
| Repayment of long term debt .....                                           | (65,000)        | —               |
| Additions (reductions) notes payable net                                    | <u>69,403</u>   | <u>(29,191)</u> |
| Cash provided by financing activities                                       | <u>8,403</u>    | <u>36,809</u>   |
| (DECREASE) INCREASE IN CASH<br>DURING YEAR                                  | (778)           | 520             |
| Cash position, beginning of year                                            | (48)            | (568)           |
| <b>CASH POSITION END OF YEAR</b>                                            | <b>\$ (826)</b> | <b>\$ (48)</b>  |

(See accompanying notes)

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## NOTES TO THE FINANCIAL STATEMENTS

December 31, 1987

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a) ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts in arrears are reviewed on a regular basis by management. Where a potential loss is identified, the exposure is compared to the estimated value of the security and an appropriate provision is established. Interest revenue is not accrued for accounting purposes on loans where a write-off is anticipated.

#### b) DEPRECIATION

Depreciation is calculated using the straight line method of depreciation at rates varying from 2 per cent to 33 1/3 per cent on all depreciable properties except the Research Park property in Saskatoon. Depreciation on the Research Park property is provided under the sinking fund method. Under this method depreciation is charged to income in amounts which increase annually consisting of fixed annual sums together with interest compounded at the rate of 5 per cent per annum so as to fully depreciate the property over its estimated useful life. The property consists of buildings with an estimated useful life of 50 years and sites and improvements with an estimated useful life of 33 years.

#### c) PROPERTY UNDER DEVELOPMENT

Property under development is carried at the lower of cost or net realizable value.

The Corporation capitalizes the following in arriving at the cost of property under development:

- Land acquisition costs
- Direct development costs
- Administration costs allocated
- Interest

Where the net realizable value of specific properties being held for development do not exceed book value, interest relating to the property is charged to current operations.

Estimated total development costs are taken into consideration in calculating gains or losses on sale of parcels of land forming part of industrial development. Sales are recognized at the date nonconditional offers to purchase are approved by the Corporation and appropriate consideration has been received.

d) SHARE INVESTMENTS

The Corporation has acquired shares in both public and private companies which are carried at the lower of cost and net realizable value. In the case where there is a parent-subsidiary relationship, the subsidiary is not consolidated with the accounts of the Corporation as a formal plan exists to dispose of the investment. Dividends are recorded as income when received.

2. STATUS OF THE CORPORATION

The Corporation was incorporated in 1963 pursuant to The Industrial Development Act. The financial results of the Corporation are included in the consolidated financial statements of the Crown Investments Corporation of Saskatchewan.

3. LOANS

|                                                                           | 1987           | 1986       |
|---------------------------------------------------------------------------|----------------|------------|
|                                                                           | (in thousands) |            |
| Loan principal receivable .....                                           | \$ 115,982     | \$ 128,576 |
| Interest accrued and receivable .....                                     | 4,296          | 3,488      |
| Loan costs receivable .....                                               | 291            | 743        |
|                                                                           | 120,569        | 132,807    |
| Agreements for sale .....                                                 | 5,789          | 3,791      |
| Lease options less unearned income<br>of \$464,000 (1986 - \$533,000) ... | 3,404          | 608        |
|                                                                           | 129,762        | 137,206    |
| Less accumulated provision for<br>doubtful accounts .....                 | 14,158         | 10,189     |
|                                                                           | \$ 115,604     | \$ 127,017 |

Included in the loans balance is \$8,899,000 (1986 - \$10,029,000) from Westank Industries Ltd. a subsidiary. During 1987, the Corporation accrued interest on these loans totalling \$1,292,000 (1986 - \$1,011,000) received \$114,000 (1986 - \$879,000) in payments and disbursed \$ Nil (1986 - \$5,001,000).

#### 4. SHARE INVESTMENTS

|                                      | 1987            | 1986            |
|--------------------------------------|-----------------|-----------------|
|                                      | (in thousands)  |                 |
| At Cost                              |                 |                 |
| Shares in subsidiary companies ..... | \$ 11,280       | \$ 11,280       |
| Shares in listed companies .....     | 1,000           | 1,000           |
| Shares in unlisted companies .....   | 820             | 820             |
|                                      | 13,100          | 13,100          |
| Accumulated provision for losses ... | 9,963           | 11,982          |
|                                      | <u>\$ 3,137</u> | <u>\$ 1,118</u> |

#### 5. PROPERTY HOLDINGS

|                                                                                                   | 1987             | 1986             |
|---------------------------------------------------------------------------------------------------|------------------|------------------|
|                                                                                                   | (in thousands)   |                  |
| Property under development for industrial purposes (lower of cost and net realizable value) ..... | \$ 27,292        | \$ 25,474        |
| Other land, buildings, improvements, and equipment (lower of cost and net realizable value)       |                  |                  |
| Rental properties .....                                                                           | 30,416           | 23,026           |
| Rental properties under construction .....                                                        | 3,778            | 1,663            |
| Office furniture & equipment                                                                      | 974              | 771              |
|                                                                                                   | 35,168           | 25,460           |
| Less accumulated depreciation                                                                     | <u>2,678</u>     | <u>2,260</u>     |
|                                                                                                   | 32,490           | 23,200           |
|                                                                                                   | <u>\$ 59,782</u> | <u>\$ 48,674</u> |

Depreciation for the year amounted to \$488,000 (1986 - \$492,000). The average depreciation rate for assets was 2.4 per cent (1986 - 2.3 per cent).

## 6. NOTES PAYABLE

|                          |        | 1987           | 1986      |
|--------------------------|--------|----------------|-----------|
|                          |        | (in thousands) |           |
| Province of Saskatchewan |        |                |           |
| January 29, 1988 .....   | 8.65 % | \$ 9,000       | \$ —      |
| March 31, 1988 .....     | 8.77 % | 57,500         | 6,900     |
| (1986 - 8.33%)           |        |                |           |
| December 31, 1988 ....   | 0.00 % | 18,712         | 4,866     |
| Repaid January 5, 1987   | 8.30 % | —              | 4,043     |
|                          |        | \$ 85,212      | \$ 15,809 |

## 7. LONG TERM DEBT

|                                               |                 | 1987           | 1986           |
|-----------------------------------------------|-----------------|----------------|----------------|
|                                               |                 | (in thousands) |                |
| Province of Saskatchewan*                     |                 |                |                |
| January 15, 1991 .....                        | 9.50 %          | \$ 16,000      | \$ 16,000      |
| June 1, 1991 .....                            | 7.20 %          | 5,000          | 5,000          |
| June 3, 1994 .....                            | 8.46 %          | 7,383          | 7,383          |
| October 1, 1995 .....                         | 9.34 %          | 3,857          | 3,857          |
| June 1, 1998 .....                            | 9.41 %          | 8,407          | 8,407          |
| June 2, 2006 .....                            | 9.62 %          | 10,000         | 10,000         |
| July 10, 2007 .....                           | 9.83 %          | 4,000          | —              |
|                                               |                 | <u>54,647</u>  | <u>50,647</u>  |
| Crown Investments Corporation of Saskatchewan |                 |                |                |
| December 30, 1991 .....                       | 9.000%          | \$ 15,000      | \$ 15,000      |
| May 28, 1993 .....                            | 8.653%          | 15,000         | 15,000         |
| April 16, 1996 .....                          | 9.750%          | 10,000         | 10,000         |
| Repaid during                                 |                 |                |                |
| 1987 .....                                    | 9.89% - 16.625% | —              | 65,000         |
|                                               |                 | <u>40,000</u>  | <u>105,000</u> |
|                                               |                 | \$ 94,647      | \$ 155,647     |

\* Debt of \$38,647,000 (1986 - \$34,647,000) with an original term of 20 years, is subject to redemption on 6 month's notice.

#### **8. EQUITY ADVANCES**

These advances are interest-free and are payable at the discretion of the Crown Investments Corporation of Saskatchewan.

#### **9. REVENUE FROM PROPERTIES**

This includes net gains on the sale of properties of \$8,000 (1986 - \$855,000).

#### **10. CONTINGENT LIABILITIES**

As at December 31, 1987, the Corporation was contingently liable under loan guarantees in the amount of \$3,295,800.

#### **11. COMMITMENTS**

- a) The total amount not yet disbursed on loans approved is \$11,551,000.
- b) The Corporation has approved guarantees which were in force but not used at December 31, 1987 amounting to \$990,700.
- c) The costs to complete properties approved for development approximate \$5,130,000.

#### **12. RELATED PARTY TRANSACTIONS**

Included in these financial statements are income and expense amounts resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan controlled departments, agencies and corporations with which the Corporation is related. Account balances resulting from these transactions are included in the Statement of Financial Position and are settled on normal trade terms.

Other amounts owing to related parties and their terms of settlements are described separately in the financial statements and the notes thereto.

#### **13. COMPARATIVE FIGURES**

The 1986 comparative figures have been reclassified to conform with changes made during the current period in classifying items in the financial statements. The prior year figures were reported on by an auditor other than Deloitte Haskins & Sells.

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For additional copies of this annual  
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about SEDCO programs in all areas  
of operation, kindly contact:

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